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SENSITIVE NOFORN

USAID LILONGWE FOR R. GRANT USAID LUSAKA FOR C. HENN USAID PRETORIA FOR P. DISKIN STATE USAID/FFP FOR J. DWORKEN

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11. (SBU/NOFORN) Summary. Between October 13 and 20 Michael Cleverley, DCM for USUN Rome and Richard Newberg, USAID Humanitarian Affairs Attach traveled to southern Zambia and central and southern Malawi on a fact-finding mission. The purpose of the trip was to witness the operations of WFP and FAO first-hand, and to gain an improved understanding of the food insecurity situation in those countries to better position USUN Rome to ensure an appropriate and adequate emergency and relief response. As with any short Mission, the findings of the team reflect observations of a limited number of sites. However, we believe that from conversations with governments, donors and relief partners that the observations contained herein are largely accurate and can be used as a guide to emergency and recovery programming in the region. The served to highlight sharp differences between the two The trip countries (Zambia and Malawi) in their approaches to the evolving food insecurity crisis: approaches that we fear are based more on the political objectives of the governments than on realities on the ground. In both countries political crises are distracting attention away from the real problems of their citizens. In both countries poor agricultural policies and worse implementation are more responsible for the crisis than poor rainfall. Until these root causes are corrected the crisis will be repeated next year and probably the next, affecting the most vulnerable populations, women and children, the most. USUN Rome greatly appreciates Embassy Lusaka,s and Lilongwe,s, and particularly their USAID missions,, excellent support in facilitating and accompanying the visits to Zambia and Malawi. The results of the field trips were directly applicable to current discussions in both FAO and WFP. End Summary.

## The Zambia

- 12. (SBU/NOFORN) The team visited Southern Province and spoke with three communities within a 50 km. radius of Livingstone, located at varying distances from major roads. The primary concern of the communities was in obtaining seed for the coming agricultural season and the lack of draught animals for land preparation. In recent years the communities have lost a good percentage of their livestock to diseases, primarily East Coast Fever, which entered the area in the past three years. Some communities reportedly lost up to 80% of their herds. The loss of livestock has made the people in this area especially vulnerable to the drought this past year, which followed closely on the heels of the drought of 2002/3. The maize crop in the communities we visited failed
- 13. (SBU/NOFORN) In Zambia, the government has so far refused to declare a disaster, and there is reported infighting within government on this issue. Apparently, the Minister of Agriculture stated when he accepted the post that there would be no &disaster8 on his watch. Subsequent to the visit, we understand the government held a briefing and appealed for donor assistance but avoided the &D8 word. In that m they revised upwards the estimates of need in Zambia. In that meeting Ironically, the crisis is very much the result of longstanding government policies that promote hybrid maize production where poor rainfall and soils make it inadvisable. The loss of cash income from a poor maize harvest, coupled with the loss of livestock in recent years to disease, hit villagers particularly hard in parts of the Southern Province.
- 14. (SBU/NOFORN) There was little evidence that the government and population have taken steps to diversify their agricultural production, although some cotton was planted last season. The solution is not putting hybrid maize seed and fertilizer into the hands of farmers in this area, which has been government policy for many years. When asked what they wanted to plant, the men invariably wanted hybrid maize seed and fertilizer. In one community, only one person said that he had cassava in his garden. The women were much more concerned with other staples such as sorghum and pulses that make more sense from a household food security perspective. The region is not well suited to maize; in a good year

rainfall is only 700mm/yr. Last year rainfall was about 500mm and poorly distributed. Also, there was little evidence that farmers were practicing &conservation8 agriculture, such as &potholing8 to conserve soil moisture. The communities made a point of telling us that they are not lazy and would welcome work, even though there was little evidence of field preparations for the coming agricultural season.

- 15. (SBU/NOFORN) Not surprisingly, poverty was more apparent the further we went from the major road. All communities reported that their cereal stores had been depleted, and that they were subsisting largely on wild fruits and other wild foods. For the moment these wild foods are fairly abundant, however at the rate they were being harvested the communities feared that the food would not last until the next harvest. One community reported conflicts in harvesting the wild foods with neighboring communities, and said they were forced to search farther and farther away. Children were often enlisted in this effort.
- 16. (SBU/NOFORN) The team visited two of the three communities to ascertain the impact of WFP school feeding programs. The two had started what are called &community schools8, where the community is responsible for building the school, and finding and paying the teachers. In return for their participation, the communities received a food ration for building the school, and the children received a take-home ration for enrolling and attending. The communities were appreciative of the feeding program, and noted that school enrollment was up 25-30 percent. However, they complained that they had no way to pay the teacher, not even in-kind.
- 17. (SBU/NOFORN) The community schools are &recognized8 by the Ministry of Education, but reportedly receive no direct support, and are outside of the reach of a primary education sector improvement program of the donors and government. The situation of these communities certainly raises questions of the quality of education the children are receiving and of the sustainability of the program. On the other hand, the food ration that families of children in school receive probably represents a large portion of the cereals available to these communities at this time.
- 18. (SBU/NOFORN) The team also spoke with FAO specialists who are advising the government on the control and eradication of several livestock diseases. They have established a surveillance system and procedures for the identification, confirmation and control of animal diseases, including the culling of animals. It appeared to us that the measures were too little, too late. Farmers invited to the scene of the presentation complained that officials were not capable of identifying the diseases, and were understandably upset when their herds needed to be culled. The FAO technicians acknowledged that a public sensitization program was needed. The program had convinced a local abattoir to re-open to accept animals by guaranteeing a number of animals each week. While acknowledging the need to market animals, the scheme requires complete transparency to gain the trust of local farmers.
- 19. (SBU/NOFORN) The team visited the main Nutrition Rehabilitation Center at Livingstone,s Batoka Hospital that takes referrals from health clinics throughout the province. The center reported receiving on average 5 children per week for malnutrition related illnesses, until recently. Diagnoses are complicated by malaria, HIV-AIDS, edema from protein deficiency, and dehydration from diarrhea. The number of cases has increased to ten per week in the past two weeks, an indication that malnutrition related illnesses are on the rise in young children.
- 110. (SBU/NOFORN) The absolute numbers are not yet great, but the actual incidence is undoubtedly much higher than the number reaching the center. There is little incentive for people to go to the center because it is ill equipped to treat those that pay the high price to get there. There are no specialized foods to rehabilitate malnourished children, and caregivers must bring all food to the hospital with them. Cases are complicated with high rates of malaria, HIV-AIDS and diarrhea from poor sanitation. As a result the mortality rate of children at the clinic is an exorbitant 48%. Clearly parents are taking their children there as a last resort and out of desperation. Monitoring of the actual situation in district clinics is urgently needed, and consideration should be given to putting in place a program to treat increased cases of childhood malnutrition throughout the hungry season.
- 111. (SBU/NOFORN) The team also visited a group of volunteers offering home-based care for HIV-AIDS sufferers in Livingstone. Often, those providing care were victims of the disease themselves. They spoke of the stigma and discrimination of having the disease, but also displayed hope that education and the support of the group helped them face their ordeal. Several of the volunteers are living proof that a combination of anti-viral drugs and good nutrition can prolong productive

lives. In fact, it was recommended by health professional that patients not even begin viral therapy until their nutritional status is good enough for them to tolerate the medication, a primary objective of WFP in the program.

## Malawi

- 112. (SBU/NOFORN) The Team visited several communities in central and southern Malawi to view FAO and WFP activities related to the relief and recovery operation. Passing through the countryside it was apparent that farmers were preparing for the next agricultural season. There was extensive plowing of fields. What we found on the trip, however, was very disturbing. Communities reported that they were waiting for the government and donors to provide the hybrid maize seed and fertilizer that they needed. Unfortunately, most Malawians will have to make do or wait a long time. There are no services in place and the government failed to make a large fertilizer purchase in time for this agricultural season. It is now extremely likely that Malawians will be in the same food insecure situation for the next year and possibly beyond, for lack of seed and fertilizer.
- 113. (SBU/NOFORN) The problems, we learned, are structural and largely the result of government subsidy policies for both agricultural inputs and produce, late state procurements, and the intervention of the parastatal ADMARC in agricultural markets. While there was a period of drought last year, it affected farmers most who planted late due to the late arrival of seed and fertilizer. This year, the fertilizer will not come in time again as a government procurement failed because the chosen provider turned out to be a firm on a list of companies related in some way to Al-Qaeda, and Citibank refused to make the bank transfer to conclude the sale.
- 114. (SBU/NOFORN) The underlying problem seems to be a deep mistrust the government has of the private sector. The private sector in turn is not in a position to supply agricultural input and output markets because of the uncertainty of government action through ADMARC. ADMARC sells what maize it receives at 17 Kw/kg, while the market price of maize sourced informally from Mozambique is twice that, 34 Kw/kg. We were told that in real terms the price of maize has actually declined over the years, even at the 34 Kw/kg price, because of inflation. The formal private sector has reported that it could bring in maize from South Africa for about 32-4Kw/kg, but will not do so as long as government and donor intentions are unclear. The effort to reform ADMARC is a longstanding one on Malawi, and one has to wonder how it has managed to exist for as long as it has. Well-intentioned programs such as the Malawi President,s Feed the Nation Fund should not be done in a way that is a disincentive to private trade.
- 115. (SBU) The outlook for real reform in agriculture that would improve the livelihood of the majority of Malawians who are resource poor is bleak. The structure of land ownership is highly skewed, with many people subsisting on small plots of land. In any given year most Malawians are net consumers, not producers. As such, they are affected more by high food prices than they benefit from high producer prices. Agricultural policies and services that allow farmers to diversify their production into high value crops and encourage the production and marketing of cheaper cereals and tubers are sorely needed. Food security crops, such as cassava, are already on the rise in Malawi, and make more sense for some families that can, t bear the risk of investing in high input costs for hybrid maize. For them, open pollinated maize also makes more sense.
- 116. (SBU/NOFORN) The Team visited a small-scale demonstration irrigation project near Blantyre that was promoted by the FAO. Malawi has ample water resources that have yet to be developed for irrigation. The project used appropriate technology and appeared to be replicable. The communities that benefited will not have the same food insecurity problems this hungry season that many will face. Unfortunately, the community and project staff could not respond to questions of its financial cost and profitability, nor to the availability of finance to replicate or expand and scale up the activity. The government purchased enough treadle pumps for each member of Parliament to receive 400, whether they came from rural or urban districts, and without giving thought to replacement spare parts and servicing. We suspect most of the pumps remain crated. The government gave 400 to FAO to distribute and set up with needy communities.
- 117. (SBU) As we traveled to the Shire Valley in southernmost Malawi, the stark contrast of the extensive green sugarcane fields and the parched earth of neighboring communities was striking. Without the sugar estates the communities would be even poorer, but there are extensive lands that could be further developed for irrigation. Drought in the valley is common, and population densities less than that in the highlands. Here the Team visited a nutrition rehabilitation center and witnessed the weighing of young children and the

identification of cases of disease and malnutrition. The program appeared to be effective in identifying and treating cases of disease and malnutrition early, although there was a shortage of staff trained in preparing and administering specialized foods for treatment of severe cases of malnutrition.

- 118. (SBU) The center, with the help of a WFP/FAO partner, had established a demonstration garden and small poultry operation to instruct women in gardening and proper nutrition. The project is laudable. As we visited a mother of a child who had benefited from training in a nearby community, we found that she had been able to grow and consume healthy vegetables. The project would benefit from closer supervision, however. The woman had been unable to find seed to replant some of her vegetables, and all of the chickens that she bought with what little money she had died from Newcastle disease. There were no other gardens readily observed in the community.
- 119. (SBU) The Team then visited a primary school that participated in a WFP school feeding program and a complementary FAO school gardens project. As we interviewed the headmaster it became painfully obvious that the project looked better on paper than in reality. Goats had consumed all of the seedlings in the garden, except for the onions, and tree seedlings in the tree nursery almost all died from lack of water or from termites. We had an interesting exchange with the Headmaster. He indicated that he increasingly had to turn away kids from a hot-lunch program because they were not enrolled in the school. Enrollment was last January and he already had 130 kids/classroom in nine grades, some under makeshift shelters with no walls. The Headmaster,s position was understandable, but the WFP person scolded him for not feeding all the kids.
- 120. (SBU/NOFORN) In Malawi, the government is desperate to have the donors bail them out of a food insecurity crisis that is as much the result of poor policies in the agricultural sector, and worse implementation of those policies, as it is on poor rainfall. A significant number of the rural and urban population, especially women and children, is bearing the brunt of ineffective government intervention in agricultural input and output markets. Government inaction and the failure of a major fertilizer procurement may guarantee that next year will find many Malawians in much the same situation as they are in now, regardless of rainfall.
- 121. (SBU/NOFORN) These observations were shared with the EU, who did not disagree with our findings, including an opinion that the needs assessment tool used in Malawi is a good tool for benchmarking food insecurity, but if interpreted wrongly it inherently over-estimates the number of persons requiring food assistance. The Team believes this to be the case in Malawi. While the Team has no doubt that there are many hungry people in Malawi, we have serious doubts about the need to feed nearly one-half of the population, the latest figure reported by the Malawian government. We note that USAID and the international community are monitoring the situation closely, and recommend that experts be consulted on interpreting and using the MVAC assessment tool to target food assistance to save lives and livelihoods. From our observations, the Team believes there needs to be a robust effort to target women and children with nutrition supplementation to prevent a chronic malnutrition problem from becoming more serious. In a meeting with all UN Agencies, the Team expressed our concern about overly sensationalizing the crisis, as we believe was done in Niger.

## General Observations and Recommendations

- 122. (SBU/NOFORN) The Team noted very different approaches to assessing emergency needs in Zambia and Malawi, and very different attitudes of the governments is calling attention to their food security problems. The crisis in southern Africa is not the sole result of drought in the region, and the way forward is not as simple as waiting for the rain, or even the government or donors providing agricultural inputs on time. In both Zambia and Malawi food insecurity is endemic and requires a combination of good agricultural and health policies that promote private trade, and complementary activities in the field. Humanitarian assistance in both Zambia and Malawi needs to be carefully assessed and monitored so that we do not continue to create dependency and displace the role of markets and the private sector. As in Ethiopia, it may be useful to identify the poorest segment of the population that is in chronic need of food through a productive safety net program. The management and operation of the Strategic Grain Reserve (SGR) in the country is worth reviewing, particularly with regards to government policy and transparency so that it enhances private sector market development.
- ${ t 123}$ . (SBU/NOFORN) Furthermore, the needs assessments in both countries do not appear to be guiding emergency operations.

In Zambia, childhood nutrition surveillance and monitoring is sorely lacking in Southern Province, even in the face of growing cases of child malnutrition. In Malawi, as in Zambia, food supplements or training for health caregivers for the rehabilitation of malnourished children were lacking in the rehabilitation centers. Mothers and young children are the most vulnerable group, and yet the most underserved. We are concerned about the recent up-turn in cases of childhood malnutrition in both Malawi and Zambia. In Zambia, it is recommended that the government, donors and aid agencies re-start the MCH Nutrition monitoring network and position food for therapeutic feeding centers. Malawi seems to have a network in place and needs to step up the surveillance, train caregivers, and position therapeutic foods.

- 124. (SBU/NOFORN) In the case of the Southern Province of Zambia the take-home rations of the school feeding program may be the most important, and in some cases the only, source of cereals the populations have. However, we would raise questions about the sustainability of the community schools in Zambia and the effectiveness of the program in both countries when faced with real problems in education reform and the lack of government resources for it. In Zambia the best means of targeting and distributing food to food insecure households in the short term may be through the schools, but some needy households may be missed. Consideration should be given to carefully targeted general distribution between December and the next harvest in April.
- 125. (SBU/NOFORN) Food for work (assets) in both countries that focuses on productive capacities could be used much more effectively. In Zambia we observed several water catchments that have silted up and needed to be dug deeper in order to store more water for a longer period. In Malawi we observed small irrigation systems that could be replicated.
- 126. (SBU/NOFORN) The Team also noted differences of opinion between WFP, donors, and NGO partners in assessing needs and responding to the crisis in both countries. In Zambia, NGOs tended to feel that WFP is under-estimating food assistance needs in the Southern Province. The donors with whom the Team met have a healthy skepticism about food assistance in general, and want it to be used judicially. In Malawi, NGOs and DFID of the UK have had difficulty in achieving consensus on strategy and targeting food assistance. An attempt by DFID to assume the role of distributing food led them to return to using WFP,s infrastructure and logistics. Furthermore, the DFID voucher scheme became meaningless as it succumbed to the fact that the only food available for purchase with vouchers was from ADMARK stores at subsidized prices. Nonetheless, these attempts at providing alternatives to the traditional general distribution scheme should be continued until eventually a true voucher scheme that encourages private trade is in place.
- 127. (U) The team is extremely grateful for the support of FAO, WFP and USAID Missions in conducting this mission.

HALL